

असाधारण

#### **EXTRAORDINARY**

भाग II — खण्ड 2

PART II - Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

# **RAJYA SABHA**

The following Bill was introduced in the Rajya Sabha on 7th August, 2000.

#### BILL No. XLIX of 2000

A Bill to amend the Multimodal Transportation of Goods Act, 1993.

Be it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

1. This Act may be called the Multimodal Transportation of Goods (Amendment) Act, 2000.

Short title.

28 of 1993.

2. In section 2 of the Multimodal Transportation of Goods Act, 1993 (hereinafter referred to as the principal Act),—

Amendment of section 2.

- (i) for clause (a), the following clause shall be substituted, namely:—
- '(a) "carrier" means a person who performs or undertakes to perform for hire the carriage or part thereof, of goods by road, rail inland waterways, sea or air;';

- (ii) for clause (i), the following clause shall be substituted, namely:—
- '(i) "goods" means any property including live animals, containers, pallets or such other articles of transport or packaging supplied by the consignor, irrespective of whether such property is to be or is carried on or under the deck;';
- (iii) in clause (j), for the words "road, rail" the words "road, air, rail" shall be substituted:
  - (iv) for clauses (k) and (l), the following clauses shall be substituted, namely:—
  - '(k) "multimodal transportation" means carriage of goods, by at least two different modes of transport under a multimodal transport contract, from the place of acceptance of the goods in India to a place of delivery of the goods outside India;';
  - (1) "multimodal transport contract" means a contract under which a multimodal transport operator undertakes to perform or procure the performance of multimodal transportation against payment of freight;
  - (la) "multimodal transport document" means a negotiable or nonnegotiable document evidencing a multimodal transport contract and which can be replaced by electronic data interchange messages permitted by applicable law;
- ( $\nu$ ) in clause (m) in sub-clause (ii), for the words "not as an agent either of the consignor or of the carrier" the words "not as an agent either of the consignor, or consignee or of the carrier" shall be substituted;
  - (vi) after clause (q), the following clauses shall be inserted, namely:—
  - '(r) "special drawing rights" means such units of accounts as are determined by the International Monetary Fund;
  - (s) "taking charge" means that the goods have been handed over to and accepted for carriage by the multimodal transport operator;'.
- 3. In section 4 of the principal Act,—
- (i) in sub-section (3), for clause (a) the following clause shall be substituted, namely:—
  - "(a) (i) that the applicant is a company, firm or proprietary concern, engaged either in the business of shipping, or freight forwarding in India or abroad with a minimum annual turnover of fifty lakh rupees during the immediately preceding financial year or an average annual turnover of fifty lakh rupees during the preceding three financial years as certified by a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949;

38 of 1949.

- (ii) that if the applicant is a company, firm or proprietary concern other than a company, firm or proprietary concern, specified in sub-clause (i), the subscribed share capital of such company or the aggregate balance in the capital account of partners of the firm, or the capital of the proprietor is not less than fifty lakh rupees.";
- (ii) in sub-section (3), after the proviso, the following proviso shall be inserted, namely:—

"Provided further that any applicant who is not a resident of India and who is not engaged in the business of shipping shall not be granted registration unless he has established a place of business in India:

Amendment of section 4.

Provided also that in respect of any applicant who is not a resident of India, the turnover may be certified by any authority competent to certify the accounts of a company in that country.";

- (iii) for sub-sections (4) and (5), the following sub-sections shall be substituted, namely:—
  - "(4) A certificate granted under sub-section (3) shall be valid for a period of three years and may be renewed from time to time for a further period of three years at a time.
  - (5) An application for renewal shall be made in such form as may be prescribed and shall be accompanied by such amount of fees as may be notified by the Central Government:

Provided that such fees shall not be less than rupees ten thousand and shall not exceed rupees twenty thousand.

- (6) The competent authority shall renew the registration certificate granted under sub-section (3) if the applicant continues to fulfil the conditions as laid down at the time of registration."
- 4. In section 6 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

Amendment of section 6.

- "(1) Any person aggrieved by, refusal of the competent authority to grant or renew registration under section 4 or by cancellation of registration under section 5, may prefer an appeal to the Central Government within such period as may be prescribed.".
- 5. In section 7 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:—

Amendment of section 7.

"Provided that the multimodal transport operator shall issue the multimodal transport document only after obtaining, and during the subsistence of a valid insurance cover.".

6. In section 9 of the principal Act,-

Amendment of section 9.

- (i) for clause (a), the following clause shall be substituted, namely:—
- "(a) the general nature of the goods, the leading marks necessary for identification of the goods, the character of the goods (including dangerous goods), the number of packages or units and the gross weight and quantity of the goods as declared by the consignor;";
- (ii) for clause (h), the following clause shall be substituted, namely:—
- "(h) the date or the period of delivery of the goods by the multimodal transport operator as expressly agreed upon between the consignor and the multimodal transport operator;";
- (iii) for clause (k), the following clause shall be substituted, namely:—
- "(k) freight payable by the consignor or the consignee, as the case may be, to be mentioned only if expressly agreed by both the consignor and the consignee;";
- (iv) after clause (o), the following proviso shall be inserted, namely:—

"Provided that the absence of any of the particulars listed above shall not affect the legal character of the multimodal transport document.".

Amendment of section 13.

7. In section 13 of the principal Act, in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

"Provided further that the multimodal transport operator shall not be liable for loss or damage arising out of delay in delivery including any consequential loss or damage arising from such delay unless the consignor had made a declaration of interest in timely delivery which has been accepted by the multimodal transport operator."

Amendment of section 14.

8. In section 14 of the principal Act, in sub-section (1), for the Explanation, the following Explanation shall be substituted, namely:—

"Explanation.—For the purpose of this sub-section, where a container, pallet or similar article is stuffed with more than one package or units, the packages or units enumerated in the multimodal transport document, as packed in such container, pallet or similar article of transport shall be deemed as packages or units.".

Amendment of section 15.

9. In section 15 of the principal Act, the following proviso shall be inserted, namely:—

"Provided that the multimodal transport operator shall not be liable for any loss, damage or delay in delivery due to a cause for which the carrier is exempted from liability in accordance with the applicable law.".

Insertion of new section 20A, 10. After section 20, the following section shall be inserted, namely:—

Period of responsibility.

"20A. The responsibility of the multimodal transport operator for the goods under this Act shall cover the period from the time he has taken the goods in his charge to the time of their delivery."

Amendment of Act 26 of 1925.

11. In the Indian Carriage of Goods by Sea Act, 1925, in Schedule, in Article I, for clause (c), the following clause shall be substituted, namely:—

'(c) "Goods" includes any property including live animals as well as containers, pallets or similar articles of transport or packaging supplied by the consignor, irrespective of whether such property is to be or is carried on or under deck;'.

#### STATEMENT OF OBJECTS AND REASONS

Multimodal Transportation of Goods Act, 1993 (hereinafter referred to as an Act) was enacted to regulate the multimodal transportation of goods by law with a view to reducing and eliminating interruption in the continuous movement of goods from their origin to the ultimate destination as well as to reduce the costs and delays and thereby to improve the quality of transport services. This Act provides a legal regime to govern on a uniform basis, the liabilities and responsibilities of a multimodal transport operator who can provide services under a single document to shippers engaged in international trade.

- 2. There are two basic international arrangements which are of significance in the area of multimodal transportation. The United Nations Convention on International Multimodal Transport of Goods, 1980 lays down the responsibilities and liabilities of multimodal transport operators at the international level. Whereas, the UNCTAD/International Chamber of Commerce (ICC) Rules have gained universal acceptance in the international multimodal transportation of goods. In order to bring the Act in line with both the United Nations Convention and the UNCTAD/ICC Rules and also to ensure its better acceptance on the basis of the experience gained so far during the implementation of the Act, it is proposed to amend the Act as follows:—
  - (a) in section 2, it is proposed to substitute definitions of the expressions "carrier", "good", "multimodal transportation", "multimodal contract" and to amend the definition of the expression "multimodal transport operator". It is further proposed to insert new definitions of "multimodal transport documernt", "special drawing rights" and "taking charge" in this section;
  - (b) to amend section 4 to make certain additional provisions relating to registration of multimodal transport operator. It is thus proposed to provide that a firm or a proprietary concern can also be registered as a multimodal transport operator. At present, only a company can be registered as a multimodal transport operator. Further, it is proposed that all foreign applicants other than the one engaged in the business of shipping must have a place of business in India and in case of foreign applicants, the turnover is to be certified by a competent authority of the foreign country to which the applicant belongs. The period of the validity and renewal of certificate of registration is being increased from one year to three years. The fee for renewal is also proposed to be increased from rupees two thousand to a sum of money which shall not be less than ten thousand rupees but shall not exceed rupees twenty thousand. A provision for renewal of registration has also been proposed in this section;
  - (c) it is proposed the right of appeal in section 6 to an aggrieved person against the refusal of the competent authority to register any person or to renew the certificate of registration;
  - (d) it is proposed to amend section 7 to provide that a multimodal transport operator should possess a proper insurance cover before issuing a multimodal transport document. This is necessary to protect the interest of shippers;
  - (e) It is proposed to provide in section 9, which deals with contents of multimodal transport document, that particulars relating to the general nature of the goods mentioned in the document shall be the same as are furnished by consignor. Further, it is proposed that the date or period of delivery of the goods by the multimodal transport operator shall be as expressly agreed upon between the shippers and the multimodal transport operator. It is further proposed that the freight payable shall be mentioned only if expressly agreed by both consignor and con-

signee. Lastly, it is proposed that the absence of any of the particulars mentioned in this section shall not affect the legal character of the document;

- (f) it is proposed to amend section 13 to provide that the multimodal transport operator shall be relieved from liability for any consequential loss or damage arising from delay in delivery of the consignment unless consignor has made a declaration of interest in timely delivery which is accepted by the multimodal transport operator;
- (g) it is proposed to provide in section 15 that a multimodal transport operator shall not be liable for any loss, damage or delay in delivery due to a cause for which the carrier is exempted from liability in accordance with the applicable law;
- (h) it is proposed to insert a new section 20A so as to define the period of responsibility of multimodal transport operator; and
- (i) it is proposed to amend the definition of the expression "goods" in the Carriage of Goods by Sea Act, 1925 on the lines of the definition contained in international instruments.
- 3. The Bill seeks to achieve the above objects.

RAJNATH SINGH.

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 3 of the Bill empowers the Central Government to prescribe by rules the amount of fee which shall be paid along with an application for renewal of certificate of registration.

- 2. Clause 4 of the Bill empowers the Central Government to prescribe by rules the period within which an appeal against order of refusal of the competent authority to grant or renew registration or cancellation thereof may be filed before the Central Government.
- 3. The matters in respect of which rules may be made are matters of procedure and detail and it is not possible to incorporate the same in the Bill. The delegation of legislative power is, therefore, of a normal character.

R. C. TRIPATHI, Secretary-General.